



Rep. Jay Hoffman

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1 AMENDMENT TO SENATE BILL 2989

2 AMENDMENT NO. _____. Amend Senate Bill 2989 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Liquor Control Act of 1934 is amended by
5 changing Sections 5-1, 5-3, 6-29.1, and 10-1 as follows:

6 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

7 Sec. 5-1. Licenses issued by the Illinois Liquor Control
8 Commission shall be of the following classes:

9 (a) Manufacturer's license - Class 1. Distiller, Class 2.
10 Rectifier, Class 3. Brewer, Class 4. First Class Wine
11 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
12 First Class Winemaker, Class 7. Second Class Winemaker, Class
13 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class
14 10. Class 1 Brewer, Class 11. Class 2 Brewer,

15 (b) Distributor's license,

16 (c) Importing Distributor's license,

- 1 (d) Retailer's license,
- 2 (e) Special Event Retailer's license (not-for-profit),
- 3 (f) Railroad license,
- 4 (g) Boat license,
- 5 (h) Non-Beverage User's license,
- 6 (i) Wine-maker's premises license,
- 7 (j) Airplane license,
- 8 (k) Foreign importer's license,
- 9 (l) Broker's license,
- 10 (m) Non-resident dealer's license,
- 11 (n) Brew Pub license,
- 12 (o) Auction liquor license,
- 13 (p) Caterer retailer license,
- 14 (q) Special use permit license,
- 15 (r) Winery shipper's license.

16 No person, firm, partnership, corporation, or other legal
17 business entity that is engaged in the manufacturing of wine
18 may concurrently obtain and hold a wine-maker's license and a
19 wine manufacturer's license.

20 (a) A manufacturer's license shall allow the manufacture,
21 importation in bulk, storage, distribution and sale of
22 alcoholic liquor to persons without the State, as may be
23 permitted by law and to licensees in this State as follows:

24 Class 1. A Distiller may make sales and deliveries of
25 alcoholic liquor to distillers, rectifiers, importing
26 distributors, distributors and non-beverage users and to no

1 other licensees.

2 Class 2. A Rectifier, who is not a distiller, as defined
3 herein, may make sales and deliveries of alcoholic liquor to
4 rectifiers, importing distributors, distributors, retailers
5 and non-beverage users and to no other licensees.

6 Class 3. A Brewer may make sales and deliveries of beer to
7 importing distributors and distributors and may make sales as
8 authorized under subsection (e) of Section 6-4 of this Act.

9 Class 4. A first class wine-manufacturer may make sales and
10 deliveries of up to 50,000 gallons of wine to manufacturers,
11 importing distributors and distributors, and to no other
12 licensees.

13 Class 5. A second class Wine manufacturer may make sales
14 and deliveries of more than 50,000 gallons of wine to
15 manufacturers, importing distributors and distributors and to
16 no other licensees.

17 Class 6. A first-class wine-maker's license shall allow the
18 manufacture of up to 50,000 gallons of wine per year, and the
19 storage and sale of such wine to distributors in the State and
20 to persons without the State, as may be permitted by law. A
21 person who, prior to June 1, 2008 (the effective date of Public
22 Act 95-634) ~~this amendatory Act of the 95th General Assembly,~~
23 is a holder of a first-class wine-maker's license and annually
24 produces more than 25,000 gallons of its own wine and who
25 distributes its wine to licensed retailers shall cease this
26 practice on or before July 1, 2008 in compliance with Public

1 Act 95-634 ~~this amendatory Act of the 95th General Assembly.~~

2 Class 7. A second-class wine-maker's license shall allow
3 the manufacture of between 50,000 and 150,000 gallons of wine
4 per year, and the storage and sale of such wine to distributors
5 in this State and to persons without the State, as may be
6 permitted by law. A person who, prior to June 1, 2008 (the
7 effective date of Public Act 95-634) ~~this amendatory Act of the~~
8 ~~95th General Assembly~~, is a holder of a second-class
9 wine-maker's license and annually produces more than 25,000
10 gallons of its own wine and who distributes its wine to
11 licensed retailers shall cease this practice on or before July
12 1, 2008 in compliance with Public Act 95-634 ~~this amendatory~~
13 ~~Act of the 95th General Assembly.~~

14 Class 8. A limited wine-manufacturer may make sales and
15 deliveries not to exceed 40,000 gallons of wine per year to
16 distributors, and to non-licensees in accordance with the
17 provisions of this Act.

18 Class 9. A craft distiller license shall allow the
19 manufacture of up to 30,000 gallons of spirits by distillation
20 for one year after March 1, 2013 (the effective date of Public
21 Act 97-1166) ~~this amendatory Act of the 97th General Assembly~~
22 and up to 35,000 gallons of spirits by distillation per year
23 thereafter and the storage of such spirits. If a craft
24 distiller licensee is not affiliated with any other
25 manufacturer, then the craft distiller licensee may sell such
26 spirits to distributors in this State and up to 2,500 gallons

1 of such spirits to non-licensees to the extent permitted by any
2 exemption approved by the Commission pursuant to Section 6-4 of
3 this Act.

4 Any craft distiller licensed under this Act who on July 28,
5 2010 (the effective date of Public Act 96-1367) ~~this amendatory~~
6 ~~Act of the 96th General Assembly~~ was licensed as a distiller
7 and manufactured no more spirits than permitted by this Section
8 shall not be required to pay the initial licensing fee.

9 Class 10. A class 1 brewer license, which may only be
10 issued to a licensed brewer or licensed non-resident dealer,
11 shall allow the manufacture of up to 930,000 gallons of beer
12 per year provided that the class 1 brewer licensee does not
13 manufacture more than a combined 930,000 gallons of beer per
14 year and is not a member of or affiliated with, directly or
15 indirectly, a manufacturer that produces more than 930,000
16 gallons of beer per year or any other alcoholic liquor. A class
17 1 brewer licensee may make sales and deliveries to importing
18 distributors and distributors and to retail licensees in
19 accordance with the conditions set forth in paragraph (18) of
20 subsection (a) of Section 3-12 of this Act.

21 Class 11. A class 2 brewer license, which may only be
22 issued to a licensed brewer or licensed non-resident dealer,
23 shall allow the manufacture of up to 3,720,000 gallons of beer
24 per year provided that the class 2 brewer licensee does not
25 manufacture more than a combined 3,720,000 gallons of beer per
26 year and is not a member of or affiliated with, directly or

1 indirectly, a manufacturer that produces more than 3,720,000
2 gallons of beer per year or any other alcoholic liquor. A class
3 2 brewer licensee may make sales and deliveries to importing
4 distributors and distributors, but shall not make sales or
5 deliveries to any other licensee. If the State Commission
6 provides prior approval, a class 2 brewer licensee may annually
7 transfer up to 3,720,000 gallons of beer manufactured by that
8 class 2 brewer licensee to the premises of a licensed class 2
9 brewer wholly owned and operated by the same licensee.

10 (a-1) A manufacturer which is licensed in this State to
11 make sales or deliveries of alcoholic liquor to licensed
12 distributors or importing distributors and which enlists
13 agents, representatives, or individuals acting on its behalf
14 who contact licensed retailers on a regular and continual basis
15 in this State must register those agents, representatives, or
16 persons acting on its behalf with the State Commission.

17 Registration of agents, representatives, or persons acting
18 on behalf of a manufacturer is fulfilled by submitting a form
19 to the Commission. The form shall be developed by the
20 Commission and shall include the name and address of the
21 applicant, the name and address of the manufacturer he or she
22 represents, the territory or areas assigned to sell to or
23 discuss pricing terms of alcoholic liquor, and any other
24 questions deemed appropriate and necessary. All statements in
25 the forms required to be made by law or by rule shall be deemed
26 material, and any person who knowingly misstates any material

1 fact under oath in an application is guilty of a Class B
2 misdemeanor. Fraud, misrepresentation, false statements,
3 misleading statements, evasions, or suppression of material
4 facts in the securing of a registration are grounds for
5 suspension or revocation of the registration. The State
6 Commission shall post a list of registered agents on the
7 Commission's website.

8 (b) A distributor's license shall allow the wholesale
9 purchase and storage of alcoholic liquors and sale of alcoholic
10 liquors to licensees in this State and to persons without the
11 State, as may be permitted by law.

12 (c) An importing distributor's license may be issued to and
13 held by those only who are duly licensed distributors, upon the
14 filing of an application by a duly licensed distributor, with
15 the Commission and the Commission shall, without the payment of
16 any fee, immediately issue such importing distributor's
17 license to the applicant, which shall allow the importation of
18 alcoholic liquor by the licensee into this State from any point
19 in the United States outside this State, and the purchase of
20 alcoholic liquor in barrels, casks or other bulk containers and
21 the bottling of such alcoholic liquors before resale thereof,
22 but all bottles or containers so filled shall be sealed,
23 labeled, stamped and otherwise made to comply with all
24 provisions, rules and regulations governing manufacturers in
25 the preparation and bottling of alcoholic liquors. The
26 importing distributor's license shall permit such licensee to

1 purchase alcoholic liquor from Illinois licensed non-resident
2 dealers and foreign importers only.

3 (d) A retailer's license shall allow the licensee to sell
4 and offer for sale at retail, only in the premises specified in
5 the license, alcoholic liquor for use or consumption, but not
6 for resale in any form. Nothing in Public Act 95-634 ~~this~~
7 ~~amendatory Act of the 95th General Assembly~~ shall deny, limit,
8 remove, or restrict the ability of a holder of a retailer's
9 license to transfer, deliver, or ship alcoholic liquor to the
10 purchaser for use or consumption subject to any applicable
11 local law or ordinance. Any retail license issued to a
12 manufacturer shall only permit the manufacturer to sell beer at
13 retail on the premises actually occupied by the manufacturer.
14 For the purpose of further describing the type of business
15 conducted at a retail licensed premises, a retailer's licensee
16 may be designated by the State Commission as (i) an on premise
17 consumption retailer, (ii) an off premise sale retailer, or
18 (iii) a combined on premise consumption and off premise sale
19 retailer.

20 Notwithstanding any other provision of this subsection
21 (d), a retail licensee may sell alcoholic liquors to a special
22 event retailer licensee for resale to the extent permitted
23 under subsection (e).

24 (e) A special event retailer's license (not-for-profit)
25 shall permit the licensee to purchase alcoholic liquors from an
26 Illinois licensed distributor (unless the licensee purchases

1 less than \$500 of alcoholic liquors for the special event, in
2 which case the licensee may purchase the alcoholic liquors from
3 a licensed retailer) and shall allow the licensee to sell and
4 offer for sale, at retail, alcoholic liquors for use or
5 consumption, but not for resale in any form and only at the
6 location and on the specific dates designated for the special
7 event in the license. An applicant for a special event retailer
8 license must (i) furnish with the application: (A) a resale
9 number issued under Section 2c of the Retailers' Occupation Tax
10 Act or evidence that the applicant is registered under Section
11 2a of the Retailers' Occupation Tax Act, (B) a current, valid
12 exemption identification number issued under Section 1g of the
13 Retailers' Occupation Tax Act, and a certification to the
14 Commission that the purchase of alcoholic liquors will be a
15 tax-exempt purchase, or (C) a statement that the applicant is
16 not registered under Section 2a of the Retailers' Occupation
17 Tax Act, does not hold a resale number under Section 2c of the
18 Retailers' Occupation Tax Act, and does not hold an exemption
19 number under Section 1g of the Retailers' Occupation Tax Act,
20 in which event the Commission shall set forth on the special
21 event retailer's license a statement to that effect; (ii)
22 submit with the application proof satisfactory to the State
23 Commission that the applicant will provide dram shop liability
24 insurance in the maximum limits; and (iii) show proof
25 satisfactory to the State Commission that the applicant has
26 obtained local authority approval.

1 (f) A railroad license shall permit the licensee to import
2 alcoholic liquors into this State from any point in the United
3 States outside this State and to store such alcoholic liquors
4 in this State; to make wholesale purchases of alcoholic liquors
5 directly from manufacturers, foreign importers, distributors
6 and importing distributors from within or outside this State;
7 and to store such alcoholic liquors in this State; provided
8 that the above powers may be exercised only in connection with
9 the importation, purchase or storage of alcoholic liquors to be
10 sold or dispensed on a club, buffet, lounge or dining car
11 operated on an electric, gas or steam railway in this State;
12 and provided further, that railroad licensees exercising the
13 above powers shall be subject to all provisions of Article VIII
14 of this Act as applied to importing distributors. A railroad
15 license shall also permit the licensee to sell or dispense
16 alcoholic liquors on any club, buffet, lounge or dining car
17 operated on an electric, gas or steam railway regularly
18 operated by a common carrier in this State, but shall not
19 permit the sale for resale of any alcoholic liquors to any
20 licensee within this State. A license shall be obtained for
21 each car in which such sales are made.

22 (g) A boat license shall allow the sale of alcoholic liquor
23 in individual drinks, on any passenger boat regularly operated
24 as a common carrier on navigable waters in this State or on any
25 riverboat operated under the Riverboat Gambling Act, which boat
26 or riverboat maintains a public dining room or restaurant

1 thereon.

2 (h) A non-beverage user's license shall allow the licensee
3 to purchase alcoholic liquor from a licensed manufacturer or
4 importing distributor, without the imposition of any tax upon
5 the business of such licensed manufacturer or importing
6 distributor as to such alcoholic liquor to be used by such
7 licensee solely for the non-beverage purposes set forth in
8 subsection (a) of Section 8-1 of this Act, and such licenses
9 shall be divided and classified and shall permit the purchase,
10 possession and use of limited and stated quantities of
11 alcoholic liquor as follows:

12	Class 1, not to exceed	500 gallons
13	Class 2, not to exceed	1,000 gallons
14	Class 3, not to exceed	5,000 gallons
15	Class 4, not to exceed	10,000 gallons
16	Class 5, not to exceed	50,000 gallons

17 (i) A wine-maker's premises license shall allow a licensee
18 that concurrently holds a first-class wine-maker's license to
19 sell and offer for sale at retail in the premises specified in
20 such license not more than 50,000 gallons of the first-class
21 wine-maker's wine that is made at the first-class wine-maker's
22 licensed premises per year for use or consumption, but not for
23 resale in any form. A wine-maker's premises license shall allow
24 a licensee who concurrently holds a second-class wine-maker's
25 license to sell and offer for sale at retail in the premises
26 specified in such license up to 100,000 gallons of the

1 second-class wine-maker's wine that is made at the second-class
2 wine-maker's licensed premises per year for use or consumption
3 but not for resale in any form. A wine-maker's premises license
4 shall allow a licensee that concurrently holds a first-class
5 wine-maker's license or a second-class wine-maker's license to
6 sell and offer for sale at retail at the premises specified in
7 the wine-maker's premises license, for use or consumption but
8 not for resale in any form, any beer, wine, and spirits
9 purchased from a licensed distributor. Upon approval from the
10 State Commission, a wine-maker's premises license shall allow
11 the licensee to sell and offer for sale at (i) the wine-maker's
12 licensed premises and (ii) at up to 2 additional locations for
13 use and consumption and not for resale. Each location shall
14 require additional licensing per location as specified in
15 Section 5-3 of this Act. A wine-maker's premises licensee shall
16 secure liquor liability insurance coverage in an amount at
17 least equal to the maximum liability amounts set forth in
18 subsection (a) of Section 6-21 of this Act.

19 (j) An airplane license shall permit the licensee to import
20 alcoholic liquors into this State from any point in the United
21 States outside this State and to store such alcoholic liquors
22 in this State; to make wholesale purchases of alcoholic liquors
23 directly from manufacturers, foreign importers, distributors
24 and importing distributors from within or outside this State;
25 and to store such alcoholic liquors in this State; provided
26 that the above powers may be exercised only in connection with

1 the importation, purchase or storage of alcoholic liquors to be
2 sold or dispensed on an airplane; and provided further, that
3 airplane licensees exercising the above powers shall be subject
4 to all provisions of Article VIII of this Act as applied to
5 importing distributors. An airplane licensee shall also permit
6 the sale or dispensing of alcoholic liquors on any passenger
7 airplane regularly operated by a common carrier in this State,
8 but shall not permit the sale for resale of any alcoholic
9 liquors to any licensee within this State. A single airplane
10 license shall be required of an airline company if liquor
11 service is provided on board aircraft in this State. The annual
12 fee for such license shall be as determined in Section 5-3.

13 (k) A foreign importer's license shall permit such licensee
14 to purchase alcoholic liquor from Illinois licensed
15 non-resident dealers only, and to import alcoholic liquor other
16 than in bulk from any point outside the United States and to
17 sell such alcoholic liquor to Illinois licensed importing
18 distributors and to no one else in Illinois; provided that (i)
19 the foreign importer registers with the State Commission every
20 brand of alcoholic liquor that it proposes to sell to Illinois
21 licensees during the license period, (ii) the foreign importer
22 complies with all of the provisions of Section 6-9 of this Act
23 with respect to registration of such Illinois licensees as may
24 be granted the right to sell such brands at wholesale, and
25 (iii) the foreign importer complies with the provisions of
26 Sections 6-5 and 6-6 of this Act to the same extent that these

1 provisions apply to manufacturers.

2 (1) (i) A broker's license shall be required of all persons
3 who solicit orders for, offer to sell or offer to supply
4 alcoholic liquor to retailers in the State of Illinois, or who
5 offer to retailers to ship or cause to be shipped or to make
6 contact with distillers, rectifiers, brewers or manufacturers
7 or any other party within or without the State of Illinois in
8 order that alcoholic liquors be shipped to a distributor,
9 importing distributor or foreign importer, whether such
10 solicitation or offer is consummated within or without the
11 State of Illinois.

12 No holder of a retailer's license issued by the Illinois
13 Liquor Control Commission shall purchase or receive any
14 alcoholic liquor, the order for which was solicited or offered
15 for sale to such retailer by a broker unless the broker is the
16 holder of a valid broker's license.

17 The broker shall, upon the acceptance by a retailer of the
18 broker's solicitation of an order or offer to sell or supply or
19 deliver or have delivered alcoholic liquors, promptly forward
20 to the Illinois Liquor Control Commission a notification of
21 said transaction in such form as the Commission may by
22 regulations prescribe.

23 (ii) A broker's license shall be required of a person
24 within this State, other than a retail licensee, who, for a fee
25 or commission, promotes, solicits, or accepts orders for
26 alcoholic liquor, for use or consumption and not for resale, to

1 be shipped from this State and delivered to residents outside
2 of this State by an express company, common carrier, or
3 contract carrier. This Section does not apply to any person who
4 promotes, solicits, or accepts orders for wine as specifically
5 authorized in Section 6-29 of this Act.

6 A broker's license under this subsection (1) shall not
7 entitle the holder to buy or sell any alcoholic liquors for his
8 own account or to take or deliver title to such alcoholic
9 liquors.

10 This subsection (1) shall not apply to distributors,
11 employees of distributors, or employees of a manufacturer who
12 has registered the trademark, brand or name of the alcoholic
13 liquor pursuant to Section 6-9 of this Act, and who regularly
14 sells such alcoholic liquor in the State of Illinois only to
15 its registrants thereunder.

16 Any agent, representative, or person subject to
17 registration pursuant to subsection (a-1) of this Section shall
18 not be eligible to receive a broker's license.

19 (m) A non-resident dealer's license shall permit such
20 licensee to ship into and warehouse alcoholic liquor into this
21 State from any point outside of this State, and to sell such
22 alcoholic liquor to Illinois licensed foreign importers and
23 importing distributors and to no one else in this State;
24 provided that (i) said non-resident dealer shall register with
25 the Illinois Liquor Control Commission each and every brand of
26 alcoholic liquor which it proposes to sell to Illinois

1 licensees during the license period, (ii) it shall comply with
2 all of the provisions of Section 6-9 hereof with respect to
3 registration of such Illinois licensees as may be granted the
4 right to sell such brands at wholesale, and (iii) the
5 non-resident dealer shall comply with the provisions of
6 Sections 6-5 and 6-6 of this Act to the same extent that these
7 provisions apply to manufacturers.

8 (n) A brew pub license shall allow the licensee to only (i)
9 manufacture up to 155,000 gallons of beer per year only on the
10 premises specified in the license, (ii) make sales of the beer
11 manufactured on the premises or, with the approval of the
12 Commission, beer manufactured on another brew pub licensed
13 premises that is wholly owned and operated by the same licensee
14 to importing distributors, distributors, and to non-licensees
15 for use and consumption, (iii) store the beer upon the
16 premises, (iv) sell and offer for sale at retail from the
17 licensed premises for off-premises consumption no more than
18 155,000 gallons per year so long as such sales are only made
19 in-person, (v) sell and offer for sale at retail for use and
20 consumption on the premises specified in the license any form
21 of alcoholic liquor purchased from a licensed distributor or
22 importing distributor, and (vi) with the prior approval of the
23 Commission, annually transfer no more than 155,000 gallons of
24 beer manufactured on the premises to a licensed brew pub wholly
25 owned and operated by the same licensee.

26 A brew pub licensee shall not under any circumstance sell

1 or offer for sale beer manufactured by the brew pub licensee to
2 retail licensees.

3 A person who holds a class 2 brewer license may
4 simultaneously hold a brew pub license if the class 2 brewer
5 (i) does not, under any circumstance, sell or offer for sale
6 beer manufactured by the class 2 brewer to retail licensees;
7 (ii) does not hold more than 3 brew pub licenses in this State;
8 (iii) does not manufacture more than a combined 3,720,000
9 gallons of beer per year, including the beer manufactured at
10 the brew pub; and (iv) is not a member of or affiliated with,
11 directly or indirectly, a manufacturer that produces more than
12 3,720,000 gallons of beer per year or any other alcoholic
13 liquor.

14 Notwithstanding any other provision of this Act, a licensed
15 brewer, class 2 brewer, or non-resident dealer who before July
16 1, 2015 manufactured less than ~~than~~ 3,720,000 gallons of beer
17 per year and held a brew pub license on or before July 1, 2015
18 may (i) continue to qualify for and hold that brew pub license
19 for the licensed premises and (ii) manufacture more than
20 3,720,000 gallons of beer per year and continue to qualify for
21 and hold that brew pub license if that brewer, class 2 brewer,
22 or non-resident dealer does not simultaneously hold a class 1
23 brewer license and is not a member of or affiliated with,
24 directly or indirectly, a manufacturer that produces more than
25 3,720,000 gallons of beer per year or that produces any other
26 alcoholic liquor.

1 (o) A caterer retailer license shall allow the holder to
2 serve alcoholic liquors as an incidental part of a food service
3 that serves prepared meals which excludes the serving of snacks
4 as the primary meal, either on or off-site whether licensed or
5 unlicensed.

6 (p) An auction liquor license shall allow the licensee to
7 sell and offer for sale at auction wine and spirits for use or
8 consumption, or for resale by an Illinois liquor licensee in
9 accordance with provisions of this Act. An auction liquor
10 license will be issued to a person and it will permit the
11 auction liquor licensee to hold the auction anywhere in the
12 State. An auction liquor license must be obtained for each
13 auction at least 14 days in advance of the auction date.

14 (q) A special use permit license shall allow an Illinois
15 licensed retailer to transfer a portion of its alcoholic liquor
16 inventory from its retail licensed premises to the premises
17 specified in the license hereby created, and to sell or offer
18 for sale at retail, only in the premises specified in the
19 license hereby created, the transferred alcoholic liquor for
20 use or consumption, but not for resale in any form. A special
21 use permit license may be granted for the following time
22 periods: one day or less; 2 or more days to a maximum of 15 days
23 per location in any 12 month period. An applicant for the
24 special use permit license must also submit with the
25 application proof satisfactory to the State Commission that the
26 applicant will provide dram shop liability insurance to the

1 maximum limits and have local authority approval.

2 (r) A winery shipper's license shall allow a person with a
3 first-class or second-class wine manufacturer's license, a
4 first-class or second-class wine-maker's license, or a limited
5 wine manufacturer's license or who is licensed to make wine
6 under the laws of another state to ship wine made by that
7 licensee directly to a resident of this State who is 21 years
8 of age or older for that resident's personal use and not for
9 resale. Prior to receiving a winery shipper's license, an
10 applicant for the license must provide the Commission with a
11 true copy of its current license in any state in which it is
12 licensed as a manufacturer of wine. An applicant for a winery
13 shipper's license must also complete an application form that
14 provides any other information the Commission deems necessary.
15 The application form shall include all addresses from which the
16 applicant for a winery shipper's license intends to ship wine,
17 including the name and address of any third party, except for a
18 common carrier, authorized to ship wine on behalf of the
19 manufacturer. The application form shall include an
20 acknowledgement consenting to the jurisdiction of the
21 Commission, the Illinois Department of Revenue, and the courts
22 of this State concerning the enforcement of this Act and any
23 related laws, rules, and regulations, including authorizing
24 the Department of Revenue and the Commission to conduct audits
25 for the purpose of ensuring compliance with this amendatory
26 Act, and an acknowledgement that the wine manufacturer is in

1 compliance with Section 6-2 of this Act. Any third party,
2 except for a common carrier, authorized to ship wine on behalf
3 of a first-class or second-class wine manufacturer's licensee,
4 a first-class or second-class wine-maker's licensee, a limited
5 wine manufacturer's licensee, or a person who is licensed to
6 make wine under the laws of another state shall also be
7 disclosed by the winery shipper's licensee, and a copy of the
8 written appointment of the third-party wine provider, except
9 for a common carrier, to the wine manufacturer shall be filed
10 with the State Commission as a supplement to the winery
11 shipper's license application or any renewal thereof. The
12 winery shipper's license holder shall affirm under penalty of
13 perjury, as part of the winery shipper's license application or
14 renewal, that he or she only ships wine, either directly or
15 indirectly through a third-party provider, from the licensee's
16 own production.

17 Except for a common carrier, a third-party provider
18 shipping wine on behalf of a winery shipper's license holder is
19 the agent of the winery shipper's license holder and, as such,
20 a winery shipper's license holder is responsible for the acts
21 and omissions of the third-party provider acting on behalf of
22 the license holder. A third-party provider, except for a common
23 carrier, that engages in shipping wine into Illinois on behalf
24 of a winery shipper's license holder shall consent to the
25 jurisdiction of the State Commission and the State. Any
26 third-party, except for a common carrier, holding such an

1 appointment shall, by February 1 of each calendar year, file
2 with the State Commission a statement detailing each shipment
3 made to an Illinois resident. The State Commission shall adopt
4 rules as soon as practicable to implement the requirements of
5 this amendatory Act of the 99th General Assembly and shall
6 adopt rules prohibiting any such third-party appointment of a
7 third-party provider, except for a common carrier, that has
8 been deemed by the State Commission to have violated the
9 provisions of this Act with regard to any winery shipper
10 licensee.

11 A winery shipper licensee must pay to the Department of
12 Revenue the State liquor gallonage tax under Section 8-1 for
13 all wine that is sold by the licensee and shipped to a person
14 in this State. For the purposes of Section 8-1, a winery
15 shipper licensee shall be taxed in the same manner as a
16 manufacturer of wine. A licensee who is not otherwise required
17 to register under the Retailers' Occupation Tax Act must
18 register under the Use Tax Act to collect and remit use tax to
19 the Department of Revenue for all gallons of wine that are sold
20 by the licensee and shipped to persons in this State. If a
21 licensee fails to remit the tax imposed under this Act in
22 accordance with the provisions of Article VIII of this Act, the
23 winery shipper's license shall be revoked in accordance with
24 the provisions of Article VII of this Act. If a licensee fails
25 to properly register and remit tax under the Use Tax Act or the
26 Retailers' Occupation Tax Act for all wine that is sold by the

1 winery shipper and shipped to persons in this State, the winery
2 shipper's license shall be revoked in accordance with the
3 provisions of Article VII of this Act.

4 A winery shipper licensee must collect, maintain, and
5 submit to the Commission on a semi-annual basis the total
6 number of cases per resident of wine shipped to residents of
7 this State. A winery shipper licensed under this subsection (r)
8 must comply with the requirements of Section 6-29 of this
9 ~~amendatory~~ Act.

10 Pursuant to paragraph (5.1) or (5.3) of subsection (a) of
11 Section 3-12, the State Commission may receive, respond to, and
12 investigate any complaint and impose any of the remedies
13 specified in paragraph (1) of subsection (a) of Section 3-12.

14 (Source: P.A. 98-394, eff. 8-16-13; 98-401, eff. 8-16-13;
15 98-756, eff. 7-16-14; 99-448, eff. 8-24-15; revised 10-27-15.)

16 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

17 Sec. 5-3. License fees. Except as otherwise provided
18 herein, at the time application is made to the State Commission
19 for a license of any class, the applicant shall pay to the
20 State Commission the fee hereinafter provided for the kind of
21 license applied for.

22 The fee for licenses issued by the State Commission shall
23 be as follows:

24 For a manufacturer's license:

25 Online Initial

	<u>renewal</u>	<u>license</u>
		<u>or</u>
		<u>non-online</u>
		<u>renewal</u>
Class 1. Distiller	<u>\$4,000</u>	<u>\$5,000</u> \$3,600
Class 2. Rectifier	<u>4,000</u>	<u>5,000</u> 3,600
Class 3. Brewer	<u>1,200</u>	<u>1,500</u> 900
Class 4. First-class Wine		
Manufacturer	<u>750</u>	<u>900</u> 600
Class 5. Second-class		
Wine Manufacturer	<u>1,500</u>	<u>1,750</u> 1,200
Class 6. First-class wine-maker	<u>750</u>	<u>900</u> 600
Class 7. Second-class wine-maker ..	<u>1,500</u>	<u>1,750</u> 1,200
Class 8. Limited Wine Manufacturer	<u>250</u>	<u>350</u> 120
Class 9. Craft Distiller	<u>2,000</u>	<u>2,500</u> 1,800
Class 10. Class 1 Brewer	<u>50</u>	<u>75</u> 25
Class 11. Class 2 Brewer	<u>75</u>	<u>100</u> 25
For a Brew Pub License	<u>1,200</u>	<u>1,500</u> 1,050
For a caterer retailer's license ..	<u>350</u>	<u>500</u> 200
For a foreign importer's license ..	<u>25</u>	25
For an importing distributor's		
license	<u>25</u>	25
<u>For a distributor's license</u>		
<u>(11,250,000 gallons</u>		
<u>or over)</u>	<u>1,450</u>	<u>2,200</u>

1	<u>For a distributor's license</u>		
2	<u>(over 4,500,000 gallons,</u>		
3	<u>but under 11,250,000 gallons) ..</u>	<u>950</u>	<u>1,450</u>
4	<u>For a distributor's license</u>		
5	<u>(4,500,000 gallons or under</u>	<u>300</u>	<u>450</u>
6	For a distributor's license		270
7	For a non-resident dealer's license		
8	(500,000 gallons or over)	<u>1,200</u>	<u>1,500</u> 270
9	For a non-resident dealer's license		
10	(under 500,000 gallons)	<u>250</u>	<u>350</u> 90
11	For a wine-maker's premises license	<u>250</u>	<u>500</u> 100
12	For a winery shipper's license		
13	(under 250,000 gallons)	<u>200</u>	<u>350</u> 150
14	For a winery shipper's license		
15	(250,000 or over, but		
16	under 500,000 gallons)	<u>750</u>	<u>1,000</u> 500
17	For a winery shipper's license		
18	(500,000 gallons or over)	<u>1,200</u>	<u>1,500</u> 1,000
19	For a wine-maker's premises license,		
20	second location.....	<u>500</u>	<u>1,000</u> 350
21	For a wine-maker's premises license,		
22	third location	<u>500</u>	<u>1,000</u> 350
23	For a retailer's license	<u>600</u>	<u>750</u> 500
24	For a special event retailer's		
25	license, (not-for-profit).....	<u>25</u>	25
26	For a special use permit license,		

1	one day only	<u>100</u>	<u>150</u> 50
2	2 days or more	<u>150</u>	<u>250</u> 100
3	For a railroad license	<u>100</u>	<u>150</u> 60
4	For a boat license	<u>500</u>	<u>1,000</u> 180
5	For an airplane license, times the		
6	licensee's maximum number of		
7	aircraft in flight, serving		
8	liquor over the State at any		
9	given time, which either		
10	originate, terminate, or make		
11	an intermediate stop in		
12	the State	<u>100</u>	<u>150</u> 60
13	For a non-beverage user's license:		
14	Class 1	<u>24</u>	24
15	Class 2	<u>60</u>	60
16	Class 3	<u>120</u>	120
17	Class 4	<u>240</u>	240
18	Class 5	<u>600</u>	600
19	For a broker's license	<u>750</u>	<u>1,000</u> 600
20	For an auction liquor license	<u>100</u>	<u>150</u> 50
21	For a homebrewer special		
22	event permit	<u>25</u>	25
23	<u>For a BASSET trainer license</u>	<u>300</u>	<u>350</u>
24	<u>For a tasting representative</u>		
25	<u>license.....</u>	<u>200</u>	<u>300</u>
26	Fees collected under this Section shall be paid into the		

1 Dram Shop Fund. On and after July 1, 2003 and until June 30,
2 2016, of the funds received for a retailer's license, in
3 addition to the first \$175, an additional \$75 shall be paid
4 into the Dram Shop Fund, and \$250 shall be paid into the
5 General Revenue Fund. On and after June 30, 2016, one-half of
6 the funds received for a retailer's license shall be paid into
7 the Dram Shop Fund and one-half of the funds received for a
8 retailer's license shall be paid into the General Revenue Fund.
9 Beginning June 30, 1990 and on June 30 of each subsequent year
10 through June 29, 2003, any balance over \$5,000,000 remaining in
11 the Dram Shop Fund shall be credited to State liquor licensees
12 and applied against their fees for State liquor licenses for
13 the following year. The amount credited to each licensee shall
14 be a proportion of the balance in the Dram Fund that is the
15 same as the proportion of the license fee paid by the licensee
16 under this Section for the period in which the balance was
17 accumulated to the aggregate fees paid by all licensees during
18 that period.

19 No fee shall be paid for licenses issued by the State
20 Commission to the following non-beverage users:

21 (a) Hospitals, sanitariums, or clinics when their use
22 of alcoholic liquor is exclusively medicinal, mechanical
23 or scientific.

24 (b) Universities, colleges of learning or schools when
25 their use of alcoholic liquor is exclusively medicinal,
26 mechanical or scientific.

1 (c) Laboratories when their use is exclusively for the
2 purpose of scientific research.

3 (Source: P.A. 98-55, eff. 7-5-13; 99-448, eff. 8-24-15.)

4 (235 ILCS 5/6-29.1)

5 Sec. 6-29.1. Direct shipments of alcoholic liquor.

6 (a) The General Assembly makes the following findings:

7 (1) The General Assembly of Illinois, having reviewed
8 this Act in light of the United States Supreme Court's 2005
9 decision in *Granholm v. Heald*, has determined to conform
10 that law to the constitutional principles enunciated by the
11 Court in a manner that best preserves the temperance,
12 revenue, and orderly distribution values of this Act.

13 (2) Minimizing automobile accidents and fatalities,
14 domestic violence, health problems, loss of productivity,
15 unemployment, and other social problems associated with
16 dependency and improvident use of alcoholic beverages
17 remains the policy of Illinois.

18 (3) To the maximum extent constitutionally feasible,
19 Illinois desires to collect sufficient revenue from excise
20 and use taxes on alcoholic beverages for the purpose of
21 responding to such social problems.

22 (4) Combined with family education and individual
23 discipline, retail validation of age, and assessment of the
24 capacity of the consumer remains the best pre-sale social
25 protection against the problems associated with the abuse

1 of alcoholic liquor.

2 (5) Therefore, the paramount purpose of this
3 amendatory Act is to continue to carefully limit direct
4 shipment sales of wine produced by makers of wine and to
5 continue to prohibit such direct shipment sales for spirits
6 and beer.

7 For these reasons, the Commission shall establish a system
8 to notify the out-of-state trade of this prohibition and to
9 detect violations. The Commission shall request the Attorney
10 General to extradite any offender.

11 (b) Pursuant to the Twenty-First Amendment of the United
12 States Constitution allowing states to regulate the
13 distribution and sale of alcoholic liquor and pursuant to the
14 federal Webb-Kenyon Act declaring that alcoholic liquor
15 shipped in interstate commerce must comply with state laws, the
16 General Assembly hereby finds and declares that selling
17 alcoholic liquor from a point outside this State through
18 various direct marketing means, such as catalogs, newspapers,
19 mailers, and the Internet, directly to residents of this State
20 poses a serious threat to the State's efforts to prevent youths
21 from accessing alcoholic liquor; to State revenue collections;
22 and to the economy of this State.

23 Any person manufacturing, distributing, or selling
24 alcoholic liquor who knowingly ships or transports or causes
25 the shipping or transportation of any alcoholic liquor from a
26 point outside this State to a person in this State who does not

1 hold a manufacturer's, distributor's, importing distributor's,
2 or non-resident dealer's license issued by the Liquor Control
3 Commission, other than a shipment of sacramental wine to a bona
4 fide religious organization, a shipment authorized by Section
5 6-29, subparagraph (17) of Section 3-12, or any other shipment
6 authorized by this Act, is in violation of this Act.

7 The Commission, upon determining, after investigation,
8 that a person has violated this Section, shall give notice to
9 the person by certified mail to cease and desist all shipments
10 of alcoholic liquor into this State and to withdraw from this
11 State within 5 working days after receipt of the notice all
12 shipments of alcoholic liquor then in transit. A person who
13 violates the cease and desist notice is subject to the
14 applicable penalties in subsection (a) of Section 10-1 of this
15 Act.

16 ~~Whenever the Commission has reason to believe that a person~~
17 ~~has failed to comply with the Commission notice under this~~
18 ~~Section, it shall notify the Department of Revenue and file a~~
19 ~~complaint with the State's Attorney of the county where the~~
20 ~~alcoholic liquor was delivered or with appropriate law~~
21 ~~enforcement officials.~~

22 ~~Failure to comply with the notice issued by the Commission~~
23 ~~under this Section constitutes a business offense for which the~~
24 ~~person shall be fined not more than \$1,000 for a first offense,~~
25 ~~not more than \$5,000 for a second offense, and not more than~~
26 ~~\$10,000 for a third or subsequent offense. Each shipment of~~

1 ~~alcoholic liquor delivered in violation of the cease and desist~~
2 ~~notice shall constitute a separate offense.~~

3 (Source: P.A. 95-634, eff. 6-1-08.)

4 (235 ILCS 5/10-1) (from Ch. 43, par. 183)

5 Sec. 10-1. Violations; penalties. Whereas a substantial
6 threat to the sound and careful control, regulation, and
7 taxation of the manufacture, sale, and distribution of
8 alcoholic liquors exists by virtue of individuals who
9 manufacture, import, distribute, or sell alcoholic liquors
10 within the State without having first obtained a valid license
11 to do so, and whereas such threat is especially serious along
12 the borders of this State, and whereas such threat requires
13 immediate correction by this Act, by active investigation and
14 prosecution by law enforcement officials and prosecutors, and
15 by prompt and strict enforcement through the courts of this
16 State to punish violators and to deter such conduct in the
17 future:

18 (a) Any person who manufactures, imports for distribution
19 or use, transports from outside this State into this State, or
20 distributes or sells 108 liters (28.53 gallons) or more of
21 wine, 45 liters (11.88 gallons) or more of distilled spirits,
22 or 118 liters (31.17 gallons) or more of beer ~~alcoholic liquor~~
23 at any place within the State without having first obtained a
24 valid license to do so under the provisions of this Act shall
25 be guilty of a ~~business offense and fined not more than \$1,000~~

1 ~~for the first such offense and shall be guilty of a Class 4~~
2 ~~felony for each subsequent offense. However, any person who was~~
3 ~~duly licensed under this Act and whose license expired within~~
4 ~~30 days prior to a violation shall be guilty of a business~~
5 ~~offense and fined not more than \$1,000 for the first such~~
6 ~~offense and shall be guilty of a Class 4 felony for each~~
7 ~~subsequent offense.~~

8 Any person who manufactures, imports for distribution,
9 transports from outside this State into this State for sale or
10 resale in this State, or distributes or sells less than 108
11 liters (28.53 gallons) of wine, less than 45 liters (11.88
12 gallons) of distilled spirits, or less than 118 liters (31.17
13 gallons) of beer at any place within the State without having
14 first obtained a valid license to do so under the provisions of
15 this Act shall be guilty of a business offense and fined not
16 more than \$1,000 for the first such offense and shall be guilty
17 of a Class 4 felony for each subsequent offense. This
18 subsection does not apply to a motor carrier or freight
19 forwarder, as defined in Section 13102 of Title 49 of the
20 United States Code, or an air carrier, as defined in Section
21 40102 of Title 49 of the United States Code.

22 Any person who both has been issued an initial cease and
23 desist notice from the State Commission and for compensation
24 ships alcoholic liquor into this State without a license
25 authorized by Section 5-1 issued by the State Commission or in
26 violation of that license is guilty of a Class 4 felony for

1 each offense.

2 (b) (1) Any retailer, licensed in this State, who knowingly
3 causes to furnish, give, sell, or otherwise being within the
4 State, any alcoholic liquor destined to be used, distributed,
5 consumed or sold in another state, unless such alcoholic liquor
6 was received in this State by a duly licensed distributor, or
7 importing distributors shall have his license suspended for 7
8 days for the first offense and for the second offense, shall
9 have his license revoked by the Commission.

10 (2) In the event the Commission receives a certified copy
11 of a final order from a foreign jurisdiction that an Illinois
12 retail licensee has been found to have violated that foreign
13 jurisdiction's laws, rules, or regulations concerning the
14 importation of alcoholic liquor into that foreign
15 jurisdiction, the violation may be grounds for the Commission
16 to revoke, suspend, or refuse to issue or renew a license, to
17 impose a fine, or to take any additional action provided by
18 this Act with respect to the Illinois retail license or
19 licensee. Any such action on the part of the Commission shall
20 be in accordance with this Act and implementing rules.

21 For the purposes of paragraph (2): (i) "foreign
22 jurisdiction" means a state, territory, or possession of the
23 United States, the District of Columbia, or the Commonwealth of
24 Puerto Rico, and (ii) "final order" means an order or judgment
25 of a court or administrative body that determines the rights of
26 the parties respecting the subject matter of the proceeding,

1 that remains in full force and effect, and from which no appeal
2 can be taken.

3 (c) Any person who shall make any false statement or
4 otherwise violates any of the provisions of this Act in
5 obtaining any license hereunder, or who having obtained a
6 license hereunder shall violate any of the provisions of this
7 Act with respect to the manufacture, possession, distribution
8 or sale of alcoholic liquor, or with respect to the maintenance
9 of the licensed premises, or shall violate any other provision
10 of this Act, shall for a first offense be guilty of a petty
11 offense and fined not more than \$500, and for a second or
12 subsequent offense shall be guilty of a Class B misdemeanor.

13 (c-5) Any owner of an establishment that serves alcohol on
14 its premises, if more than 50% of the establishment's gross
15 receipts within the prior 3 months is from the sale of alcohol,
16 who knowingly fails to prohibit concealed firearms on its
17 premises or who knowingly makes a false statement or record to
18 avoid the prohibition of concealed firearms on its premises
19 under the Firearm Concealed Carry Act shall be guilty of a
20 business offense with a fine up to \$5,000.

21 (d) Each day any person engages in business as a
22 manufacturer, foreign importer, importing distributor,
23 distributor or retailer in violation of the provisions of this
24 Act shall constitute a separate offense.

25 (e) Any person, under the age of 21 years who, for the
26 purpose of buying, accepting or receiving alcoholic liquor from

1 a licensee, represents that he is 21 years of age or over shall
2 be guilty of a Class A misdemeanor.

3 (f) In addition to the penalties herein provided, any
4 person licensed as a wine-maker in either class who
5 manufactures more wine than authorized by his license shall be
6 guilty of a business offense and shall be fined \$1 for each
7 gallon so manufactured.

8 (g) A person shall be exempt from prosecution for a
9 violation of this Act if he is a peace officer in the
10 enforcement of the criminal laws and such activity is approved
11 in writing by one of the following:

12 (1) In all counties, the respective State's Attorney;

13 (2) The Director of State Police under Section 2605-10,
14 2605-15, 2605-75, 2605-100, 2605-105, 2605-110, 2605-115,
15 2605-120, 2605-130, 2605-140, 2605-190, 2605-200,
16 2605-205, 2605-210, 2605-215, 2605-250, 2605-275,
17 2605-300, 2605-305, 2605-315, 2605-325, 2605-335,
18 2605-340, 2605-350, 2605-355, 2605-360, 2605-365,
19 2605-375, 2605-390, 2605-400, 2605-405, 2605-420,
20 2605-430, 2605-435, 2605-500, 2605-525, or 2605-550 of the
21 Department of State Police Law (20 ILCS 2605/2605-10,
22 2605/2605-15, 2605/2605-75, 2605/2605-100, 2605/2605-105,
23 2605/2605-110, 2605/2605-115, 2605/2605-120,
24 2605/2605-130, 2605/2605-140, 2605/2605-190,
25 2605/2605-200, 2605/2605-205, 2605/2605-210,
26 2605/2605-215, 2605/2605-250, 2605/2605-275,

1 2605/2605-300, 2605/2605-305, 2605/2605-315,
2 2605/2605-325, 2605/2605-335, 2605/2605-340,
3 2605/2605-350, 2605/2605-355, 2605/2605-360,
4 2605/2605-365, 2605/2605-375, 2605/2605-390,
5 2605/2605-400, 2605/2605-405, 2605/2605-420,
6 2605/2605-430, 2605/2605-435, 2605/2605-500,
7 2605/2605-525, or 2605/2605-550); or

8 (3) In cities over 1,000,000, the Superintendent of
9 Police.

10 (Source: P.A. 98-63, eff. 7-9-13.)

11 Section 99. Effective date. This Act takes effect January
12 1, 2017, except that the changes to Section 5-3 of the Liquor
13 Control Act of 1934 take effect upon becoming law.".